

DEPARTMENT OF TRANSPORTATION

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December 1, 2010

The Honorable Denise Ducheny
Chair, Joint Legislative Budget Committee
California State Senate
1120 N. Street, Room 553
Sacramento, CA 95814

Dear Senator Ducheny:

The following submittal is in response to the Budget Bill Language included in the 2010-11 Budget Act, specifically, Provision 9 of Item 2660-001-0042, requiring submission of project specific information related to the California Department of Transportation's (Department), Capital Outlay Support Program.

Provision 9 of Item 2660-001-0042 contained in the 2010-11 Budget Act reads as follows:

Of the funds appropriated in Schedule (2), \$439,804,000 shall be available for expenditure only after the submittal of a report by the Department to the Legislature and a 60-day review by the Joint Legislative Budget Committee. The report shall be submitted no later than January 1, 2011, and shall include:

- (a) A project-by-project tie between the Department's planned Capital Outlay Support work in 2010-11, the projects programmed in the State Transportation Improvement Program (STIP) and the State Highway Operation and Protection Program (SHOPP),
- (b) Planned project budgets for all STIP and SHOPP projects for which the department plans to perform Capital Outlay Support work in 2010-11, and
- (c) A description of the projects that the Department has worked on in 2010-11 with the additional 230 positions provided in this item, and the status of these projects. The Department shall request from local transportation agencies, and local transportation agencies shall provide, the information necessary to complete this report. In its use of funds appropriated in Schedule (2), the Department shall prioritize the project funding for those projects that are in or near construction.

Honorable Denise Ducheny
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The first part of Provision (c) was obviated by the elimination of the augmented 230 positions through veto action. The remaining information is provided to the detail level that was developed in conjunction with Legislative Analyst's Office staff in the spring of 2010.

Senate Bill 45 (Kopp, chapter 622, statutes of 1997) and the California Transportation Commission guidelines, where work is performed by the local transportation agencies, information regarding project details are not directly available to the Department. Provision (c) requires that this information be provided by local transportation agencies. In cases where this information has been provided in response to Provision (c), the Department has provided that information without validation. In addition, as allowed by STIP guidelines, a number of projects are programmed only for certain components so not all data fields are available.

Due to the extensive amount of data requested, a hard copy print out is not feasible. This information is contained in a database on the attached disc and is also located at the following link:

<http://www.dot.ca.gov/hq/oppd/pm/COS-2010-11-WPSM-Bdgt-Exp-v9.xlsx>

If you have any further questions, please contact Norma Ortega, Chief Financial Officer, at 916-654-3986.

Sincerely,


CINDY McKIM
Director

Attachments

**California Department of Transportation
Capital Outlay Support Workload Justification**

This is a detailed list of all programmed projects with work planned in the budgeted fiscal year that was included as part of the materials in support of the Department of Transportation's (Caltrans) Capital Outlay Support Workload Request for 2010-11. (Originally titled List "B") The information was provided to the detail level that was developed in conjunction with Legislative Analyst's Office staff in the spring of 2010, including the following information:

- 1) Project Description
 - a. Caltrans District
 - b. Project Type (STIP, SHOPP, etc.)
 - c. ID (the unique ID for the project within the Department)
 - d. PPNO (the unique ID for Programming documents)
 - e. County
 - f. Route
 - g. Work Description
 - h. Programming Document and/or Program, if applicable
 - i. The phase or phases where work is planned to be performed
- 2) Project Budget
 - a. Total Capital Cost
 - b. Total Approved Support Budget
 - i. Environmental Support Budget
 - ii. Design Support Budget
 - iii. Right of Way Support Budget
 - iv. Construction Support Budget
 - c. Total Prior Year(s) support expenditures
- 3) Budget Year Workload and Resource Needs (in Full-Time-Equivalents)

List "B" which was previously submitted to Legislative staff and the Legislative Analyst's Office as support for the Caltrans 2010-11 Capital Outlay Support Finance Letter, contains 1,197 projects. There are a total of 4,788 component budgets in List "B" of which about 11% were previously left blank. Those blanks were found where a Local Agency is the lead for the component and not Caltrans, and where the data does not, and should not, exist.

The missing information prompted the Legislature to add provisional language to the Caltrans Capital Outlay Support budget, requiring a completed report by January 1, 2011. Specifically, Provision 9 of Item 2660-001-0042 contained in the 2010-11 Budget Act reads as follows:

**California Department of Transportation
Capital Outlay Support Workload Justification**

Of the funds appropriated in Schedule (2), \$439,804,000 shall be available for expenditure only after the submittal of a report by the Department of Transportation to the Legislature and a 60-day review by the Joint Legislative Budget Committee. The report shall be submitted not later than January 1, 2011, and shall include:

- (a) a project-by-project tie between the department's planned capital outlay support work in 2010-11 and the projects programmed in the State Transportation Improvement Program (STIP) and the State Highway Operation and Protection Program (SHOPP),
- (b) planned project budgets for all STIP and SHOPP projects for which the department plans to perform capital outlay support work in 2010-11, and
- (c) a description of the projects that on which the department has worked on in 2010-11 with the additional 230.0 positions provided in this item, and the status of these projects. The department shall request from local transportation agencies, and local transportation agencies shall provide, the information necessary to complete this report. In its use of funds appropriated in Schedule (2), the department shall prioritize the project funding for those projects that are in or near construction.

Provision (a) and (b) were previously submitted, and are included in this submittal.

The first part of Provision (c) was obviated by the elimination of the augmented 230 positions through veto action. The remaining information is provided to the detail level that was developed in conjunction with Legislative Analyst's Office staff in the spring of 2010. As a result, Caltrans has prepared this report to provide: (1) missing data from local agencies, and (2) to explain why some information simply does not exist.

Related to item (1) missing data from local agencies, State Legislation (SB 45), and CTC Guidelines allow STIP projects to be programmed by component. This means each component can be implemented by the Department, or a Local Agency, where the Local Agency is the implementing agency. The Department has addressed this issue by requesting the Local Agency for the budget information for the components in question. The Local Agencies have provided this information to the Department and the Department has added the information to List "B". It should be noted that the Department has no means of verifying if the data provided is correct. Columns "X", "Y", "Z" and "AA" of List "B" identifies which project components have the Local Agency as the lead.

Regarding item 2, the Department has provided detailed explanations for every field that does not have data in it. There are 15 general reasons why the information does not exist for specific projects, and should not be expected to exist. These explanations are listed below as footnotes "A" through "P".

**California Department of Transportation
Capital Outlay Support Workload Justification**

A – Project Approval & Environmental Documents (PA&ED) only project. Project programmed for PA&ED only. Future components are not programmed.

B – Plans Specifications & Estimates (PS&E) only project. Right of Way may or may not be programmed. Construction support is not programmed.

C - No Right of Way (ROW) support needed or programmed. Example: a follow-up landscape project that had right of way funded from the master project.

D – Non-traditional Capital Outlay Support project and therefore some support components not needed – Example: Archaeological, Inventory only, etc.

E – PA&ED completed during planning phase such as Project Study Reports/Project Report (PSR/PR) for a safety project, Damage Assessment Form (DAF) for a storm damage, or Project Scope Summary Report/Project Report (PSSR/PR) for a rehabilitation project. Therefore there are no expenditures or budget for PA&ED.

F - All support component budgets included under PA&ED component in pre-2008 SHOPP. 2008 SHOPP is the first SHOPP that programmed all 4 support components separately.

G -Local Agency implementing ROW and/or Construction. When a Local Agency implements ROW and/or Construction components, the support budgets are combined with ROW and/or Construction Capital budgets per SB 45.

H - Component completed under master project. Example: PA&ED for the whole Corridor is completed under a separate Corridor Expenditure Authorization (EA).

I - Project deleted from STIP. Example: Region decides to fund the project with non-STIP funds, or changes in priorities, or the preferred alternative is too expensive and it is decided to delete the project from the STIP. Future components are not programmed.

J - Service contract. Project programmed for construction capital and construction support only (STIP TE, etc.). Remaining components were handled by Service Contract. Example: STIP TE project which funds the California Conservation Corps to perform work under a Service Contract.

K - ROW support only for Corridor. Example: Right of entry for corridor project.

L - All support programmed under construction support.

M - Design-Build project. Non-traditional project and construction support budget shown in design support budget.

N - SHOPP Long Lead. Support identified for PA&ED only.

O - Full oversight project. Caltrans is responsible for Quality Assurance/Quality Control (QA/Q) only.

P – SHOPP Long Lead. No Planning and Programming Number (PPNO) assigned.